Voluntary Information Sharing-Governance Alternatives

November 2, 2018

Voluntary Information Sharing — Governance Alternatives

PHMSA Administered

- Drawing upon experience of Federal Aviation Administration – ASIAS
- PHMSA administers

Privately Administered

- Drawing upon experience of Commercial Aviation – CAST
- Private entity administers
- VIS Governing Board PHMSA, pipeline operators, service providers, NAPSR representatives, trade
 associations, public representatives, labor unions and universities
 - Third-Party Information Manager Private Entity
 - Issues Analysis Team(s) comprising representation of Governing Board with deep technical knowledge
- Legal protections through statute
- Funding through Federal appropriation
- Possible co-funding from private entities

- Legal protections through contract
- Funding through private contributions
- Possible co-funding from PHMSA

Voluntary Information Sharing – Governance Alternatives

Option A

- PHMSA/Industry Co-Chairs
- PHMSA provides day-to-day oversight & operational management of VIS
- PHMSA/Congress funds VIS
- Legislative protections on confidentially & non-punitive reporting. Notwithstanding Congressional action, confidentiality, NDAs, MOUs and other types of implementation agreements
- Issue Analysis Team Make-up: NAPSR-appointed State agent (or designated representative), labor and technical experts from industry and PHMSA

Major Differences Between The Options

Option B

- Industry Chair, PHMSA Board Member
- VIS CEO provides day-today executive management
- VIS Operations Group provides day-to- day management
- Industry participants fund VIS. Confidentially provided by confidentially Agreements & NDAs, Non-Punitive Reporting by PHMSA Agreement
- Issue Analysis Team Makeup: Participants with expertise in specified subject matter

Option C

- Industry/PHMSA Co-Chairs. Motions require unanimous Chair consent
- VIS CEO provides day-today executive management
- VIS Operations Group provides day-to- day management
- Split funding between industry, PHMSA, grants, etc. fund VIS
- Legislative protections on confidentially & nonpunitive reporting
- Issue Analysis Team Makeup: Participants with expertise in specified subject matter

Option D

- Industry/PHMSA Co-Chairs. Motions require unanimous Chair consent
- PHMSA provides day-to-day oversight & operational management of VIS
- Tabled for the VIS Parent Committee Meeting
- Legislative protections on confidentially & non-punitive reporting.
 Notwithstanding Congressional action, confidentiality, NDAs, MOUs and other types of implementation agreements
- Issue Analysis Team Step 1, Issue Analysis Selection Committee (subset of the Executive Board made up of NAPSRappointed State agent (or designated representative), labor and technical experts from industry and PHMSA) responsible for populating the Issue Analysis Technical Working Group with technical and non-technical expertise. Step 2) Issue Analysis Technical Working Group that conducts the analysis and provides reports and products to the Board

Pros and Cons

PHMSA Administered Option A

Privately Administered Option B

Jointly Administered Option C and D

Pros

- Credibility with public
- Sufficient funding (contingent on Congress)
- Immediate organizational capability
- Ability to draw directly upon other governmental experience
- Legal protections in statute
- All operators bear the cost, not just users (thus may be more likely to participate/use VIS Data, also less expensive for everyone)
- More public engagement

Cons

- · Possible industry organization resistance
- Susceptibility to changing/competing priorities
- Susceptibility to funding cuts
- All operators bear cost not just users

Pros

- Stable administrative governance
- Not susceptible to government funding fluctuations
- Participating operators and service providers bear costs
- Ability to quickly and nimbly add enhancements or incorporation of technology solutions for the VIS
- Ability to expand program scope as needed and fund expeditiously

Cons

- Possible lack of credibility
- No existing organization, Would need to be built from the ground up
- Stability of funding or possible insufficient Industry participation to fund program at all

Pros

- Stable administrative governance and credibility with the public
- Provides more options for funding
- Immediate organizational capability
- Ability to draw directly upon private and governmental experience akin to the FAA
- Legal protections in statute
- More public engagement

Cons

- Possible industry organization resistance
- Unanimity and consensus building can take more time
- Uncertainty of funding